

An aerial photograph of a wide river winding through a lush, green forest. The sky is a mix of soft pinks, oranges, and blues, indicating a sunset or sunrise. The river reflects the light from the sky. In the distance, rolling hills and more forested areas are visible. A white curved line graphic is positioned in the upper left quadrant of the image.

Neste: Our pathway toward CSRD

9 April 2024
Mikko Wirkkala

A young boy with blonde hair, wearing a red and black striped shirt, is looking at a large, spotted pufferfish with blue markings swimming in the water. The background is a blurred underwater scene with rocks and other fish.

Creating a healthier planet for our children

Neste in a nutshell

- We create solutions for combating climate change and accelerating a shift to a circular economy.
- We refine waste, residues and innovative raw materials into renewable fuels and sustainable feedstock for polymers and chemicals.
- We are the world's leading producer of sustainable aviation fuel and renewable diesel, and renewable feedstock solutions for various polymers and chemicals industry uses. We are also developing chemical recycling technologies and capacity to combat plastic waste challenge.
- We are introducing renewable and recycled raw materials such as liquefied waste plastic as refinery raw materials. We have committed to reaching carbon-neutral production by 2035.
- We are transforming our crude oil refinery into a leading renewables and circular solutions hub.



Driven by our purpose



We are ca.

6,000

dedicated professionals
committed to our
purpose

In 2023, our customers reduced

11.0 Mt

greenhouse gas emissions with
our renewable products

In 2023, we reached

3,458 m€

comparable EBITDA

We will have three strong renewables businesses by 2030



Renewable Aviation

Over the life-cycle, Neste MY Sustainable Aviation Fuel has up to 80% smaller carbon footprint compared to fossil jet fuel.



Renewable Polymers and Chemicals

Neste RE is Neste's solution for the plastics and chemicals sectors to help them reduce crude oil dependency while also tackling climate change and plastic waste challenge.



Renewable Road Transportation

Comparing 100% fossil diesel, 100% Neste MY Renewable Diesel™ results on 75-95% lower greenhouse gas (GHG) emissions when evaluating the emissions over the fuels' life cycle.

Our sustainability vision sets high standards



Climate

Neste leads transformation towards a carbon neutral value chain by 2040



Biodiversity

Neste drives a positive impact on biodiversity and achieves a nature positive¹ value chain by 2040



Human rights

Neste strives to create a more equitable and inclusive value chain by 2030 in which everyone works with dignity



Supply chain & raw materials

Neste drives safe and healthy workplace, fair labor practices and increased sustainability commitment across the supply chain

1) Nature positive aims at halting and reversing nature loss, positive impacts outweighing the adverse impacts

Deep roots in sustainability reporting

Sustainability has been a part of Neste's operations and strategy for decades. When operations started in 1965, sustainability meant focusing on local emissions including seawater and air pollution.

Today, we have targets through the whole value chain, incl. climate, biodiversity, supply chain and human rights aspects.

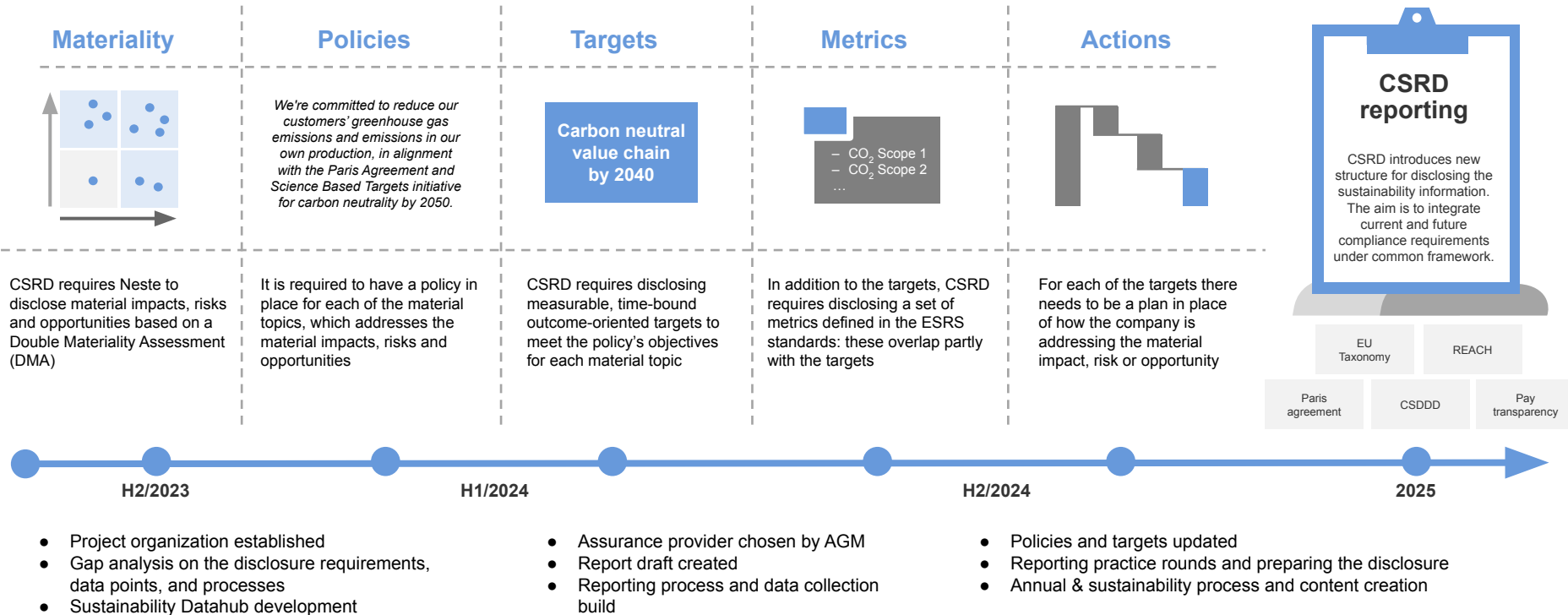


Regulatory environment and reporting framework changes towards consistent sustainability data collection

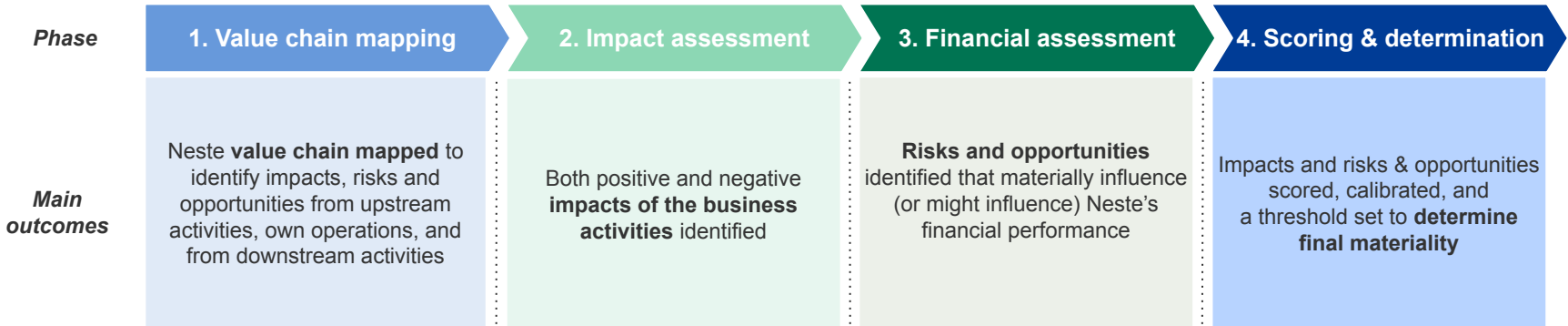
| | | | | |
|-----------------------------|--|---|---|---|
| Regulation |  <p>European Commission</p> <ul style="list-style-type: none"> - Non-Financial Reporting Directive (NFRD) - Corporate Sustainability Reporting Directive (CSRD) |  <p>EU Taxonomy Regulations</p> |  <p>FINANCING A SUSTAINABLE EUROPEAN ECONOMY</p> | |
| Reporting frameworks |  <p>GRI</p> |  <p>SASB</p> |  <p>TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES</p> |  <p>ISSB</p> |
| Global goals and principles |  <p>UN GLOBAL COMPACT</p> |  <p>SDG GOALS</p> | | |
| ESG ratings and indices |  <p>CDP DISCLOSURE INSIGHT ACTION</p> |  <p>S&P Dow Jones Indices A Division of S&P Global</p> |  <p>Most Sustainable Corporations in the World</p> |  <p>ecovadis</p> |
| |  <p>MSCI</p> |  <p>SUSTAINALYTICS</p> |  <p>FTSE4Good</p> |  <p>ISS</p> |



Neste's material topics identified in accordance with EFRAG guidelines, process continues towards CSRD reporting readiness

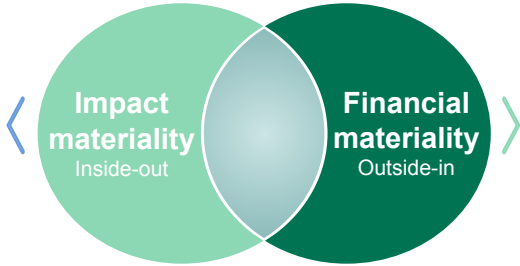


Double Materiality assessment was conducted in accordance with EFRAG guidelines and utilizing Neste risk management framework



A sustainability matter is material from an **impact perspective**:

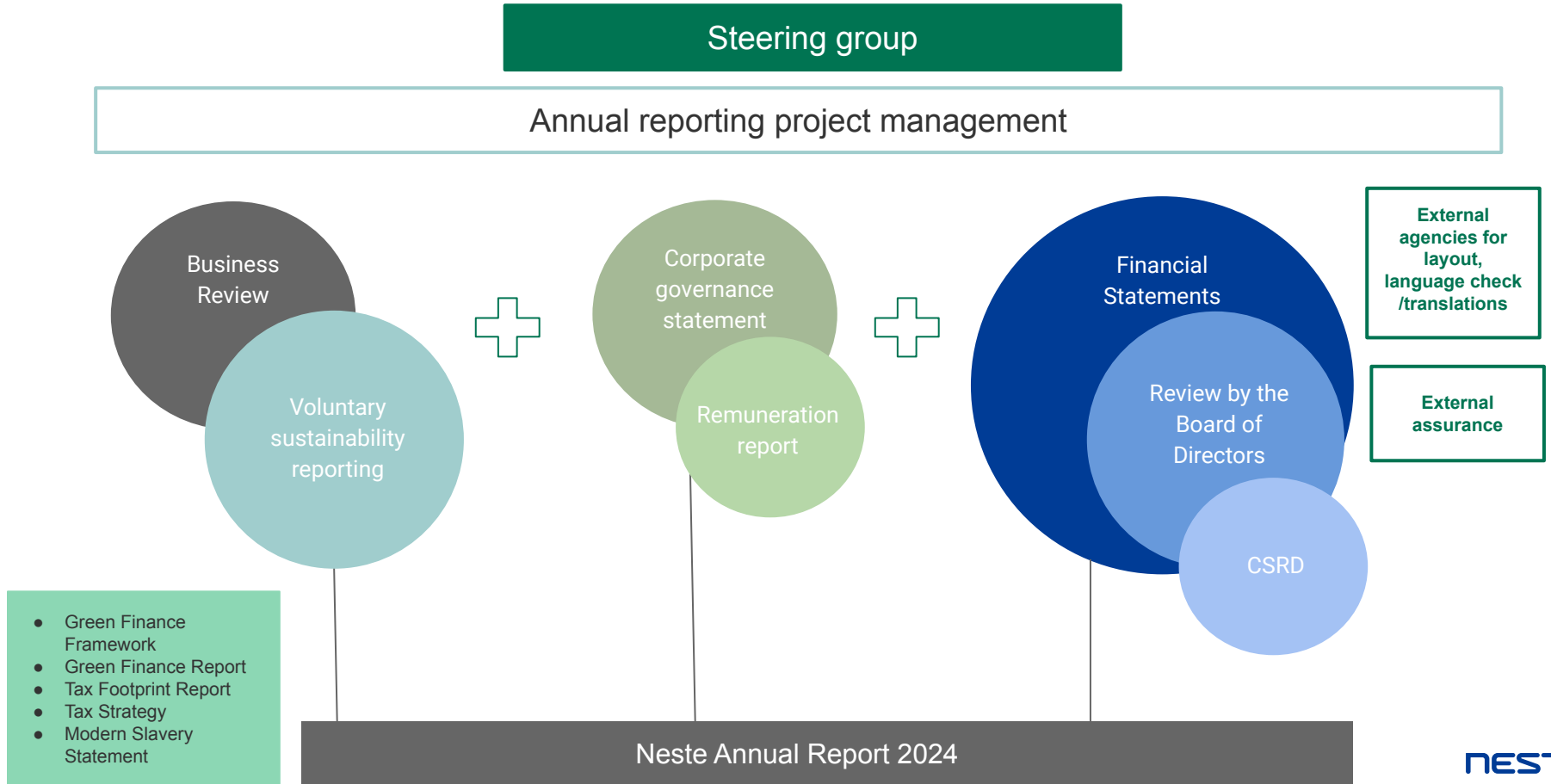
- when it pertains to the undertaking's material actual or potential, positive or negative impacts on people or the environment (environmental, social and governance matters)



A sustainability matter is material from a **financial perspective**:

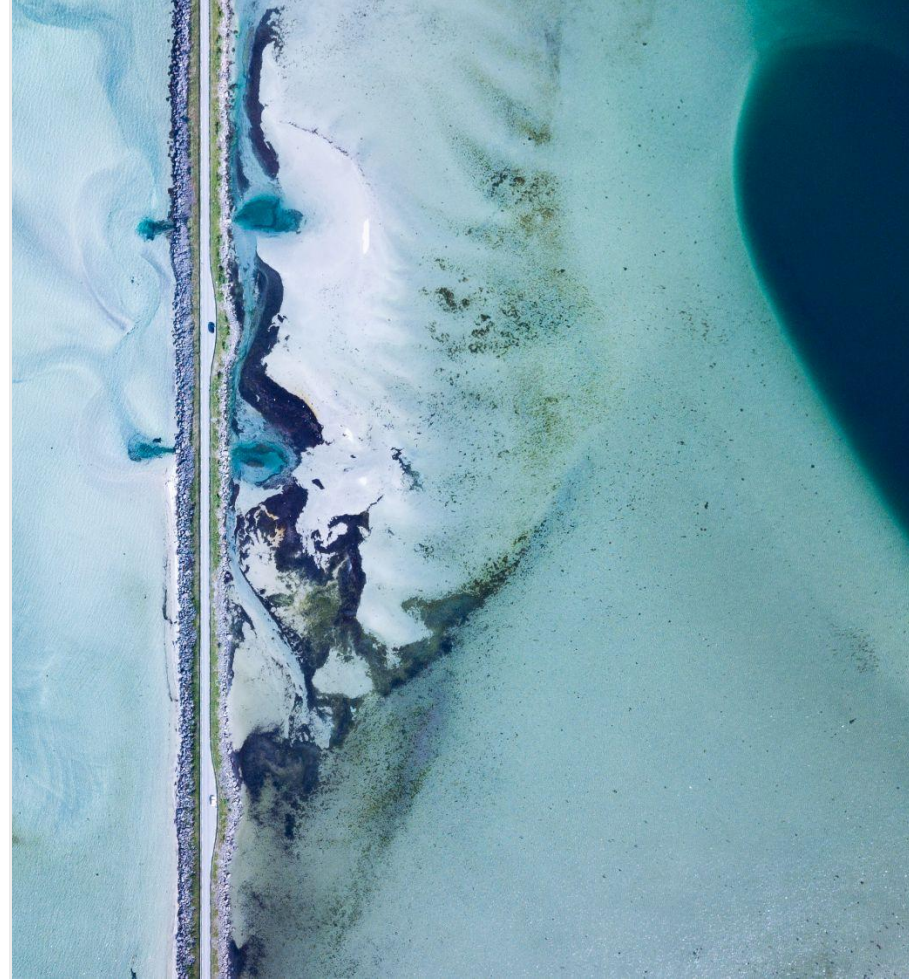
- If it generates risks or opportunities that affect (or could reasonably be expected to affect) the undertaking's financial position, financial performance, cash flows, access to finance, or cost of capital

CSRD is part of the annual report process



Learnings so far

- Start early.
- Involve enough stakeholders and secure resourcing.
- Define clear ownership of topics.
- Build reporting processes that suits your organization.
- Reserve time for iteration, interpretation and decision making.
- Plan disclosures and how does the final report look like.





NESTE

Change runs on renewables